

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY

MANTON, MICHIGAN

MARCH 31, 2004

# Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name <b>Bloomfield Township</b>	County <b>Missaukee</b>
Audit Date <b>3/31/04</b>	Opinion Date <b>7/7/04</b>	Date Accountant Report Submitted to State: <b>9/27/04</b>	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

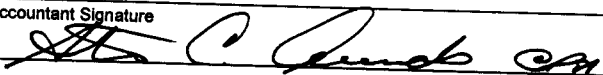
We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

## We have enclosed the following:

	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.	✓		
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) <b>Baird, Cotter &amp; Bishop, P.C.</b>			
Street Address <b>134 W. Harris Street</b>		City <b>Cadillac</b>	State <b>MI</b>
Accountant Signature 		ZIP <b>49601</b>	Date

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

MARCH 31, 2004

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BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

MARCH 31, 2004

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STEVEN C. ARENDS, C.P.A.  
SCOTT A. HUNTER, C.P.A.  
JONATHAN E. DAMHOF, C.P.A.  
MICHAEL D. COOL, C.P.A.

CERTIFIED PUBLIC ACCOUNTANTS

July 7, 2004

INDEPENDENT AUDITORS' REPORT

To the Township Board  
Bloomfield Township  
Missaukee County  
Manton, Michigan

We have audited the accompanying general-purpose financial statements of Bloomfield Township, Missaukee County, Manton, Michigan as of and for the year ended March 31, 2004, as listed in the table of contents. These general-purpose financial statements are the responsibility of the Township. Our responsibility is to express an opinion on these general-purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note I.B, the Township's policy is to prepare its general-purpose financial statements on the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the general-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the cash balances of Bloomfield Township, Missaukee County, Manton, Michigan as of March 31, 2004, and the cash receipts it received and cash disbursements it paid for the year then ended on the basis of accounting described in Note I.B.

Our audit was conducted for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying financial information listed as "Financial Statements of Individual Funds" and "Other Information" in the table of contents is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the general-purpose financial statements, and in our opinion, it is fairly stated in all material respects in relation to the general-purpose financial statements taken as a whole.

BAIRD, COTTER AND BISHOP, P.C.

Baird, Cotter & Bishop, P.C.

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

COMBINED STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS

ALL FUND TYPES AND ACCOUNT GROUP  
MARCH 31, 2004

	<u>ASSETS</u>	<u>GOVERNMENTAL FUND TYPES</u>	
		<u>GENERAL</u>	<u>SPECIAL REVENUE</u>
Cash			
Commercial Account		\$ 34,588	\$ 0
Money Market Accounts		50,831	31,091
Certificates of Deposit		80,822	0
Taxes Receivable		4,338	6,477
Due from Other Funds		0	12,595
Land		0	0
Land Improvements		0	0
Buildings		0	0
Furniture and Equipment		0	0
		<u>0</u>	<u>0</u>
TOTAL ASSETS		<u>\$ 170,579</u>	<u>\$ 50,163</u>
<u>LIABILITIES AND EQUITY</u>			
<u>LIABILITIES</u>			
Due to Other Funds		\$ 12,595	\$ 0
Deferred Revenue		4,338	6,477
		<u>16,933</u>	<u>6,477</u>
Total Liabilities		\$ 16,933	\$ 6,477
<u>EQUITY</u>			
Investment in General Fixed Assets		\$ 0	\$ 0
Balance			
Reserved for Road Maintenance		0	43,686
Unreserved		153,646	0
		<u>153,646</u>	<u>43,686</u>
Total Equity		\$ 153,646	\$ 43,686
TOTAL LIABILITIES AND EQUITY		<u>\$ 170,579</u>	<u>\$ 50,163</u>

The accompanying notes are an integral part of these financial statements.

EXHIBIT A

<u>FIDUCIARY FUND TYPE AGENCY</u>	<u>ACCOUNT GROUP GENERAL FIXED ASSETS</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
\$ 9,811	\$ 0	\$ 44,399
0	0	81,922
0	0	80,822
0	0	10,815
0	0	12,595
0	1,725	1,725
0	7,152	7,152
0	33,631	33,631
0	9,453	9,453
<u>\$ 9,811</u>	<u>\$ 51,961</u>	<u>\$ 282,514</u>
\$ 0	\$ 0	\$ 12,595
0	0	10,815
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 23,410</u>
\$ 0	\$ 51,961	\$ 51,961
0	0	43,686
9,811	0	163,457
<u>\$ 9,811</u>	<u>\$ 51,961</u>	<u>\$ 259,104</u>
<u>\$ 9,811</u>	<u>\$ 51,961</u>	<u>\$ 282,514</u>

The accompanying notes are an integral part of these financial statements.



BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

COMBINED STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN BALANCE

ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED MARCH 31, 2004

	<u>GOVERNMENTAL FUND TYPES</u>		<u>TOTALS</u>
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>(MEMORANDUM ONLY)</u>
<u>RECEIPTS</u>			
Taxes	\$ 25,576	\$ 28,596	\$ 54,172
State Grants	33,464	0	33,464
Charges for Services	2,890	0	2,890
Interest and Rents	2,532	57	2,589
Other Receipts	898	0	898
Total Receipts	\$ 65,360	\$ 28,653	\$ 94,013
<u>DISBURSEMENTS</u>			
Legislative			
Township Board	\$ 4,904	\$ 0	\$ 4,904
General Government			
Supervisor	4,875	0	4,875
Assessor	4,846	0	4,846
Clerk	5,292	0	5,292
Board of Review	522	0	522
Treasurer	7,675	0	7,675
Building and Grounds	1,446	0	1,446
Cemetery	1,567	0	1,567
Public Safety	12,244	0	12,244
Public Works	0	2,503	2,503
Other Functions	5,962	0	5,962
Total Disbursements	\$ 49,333	\$ 2,503	\$ 51,836
Excess of Receipts Over (Under) Disbursements	\$ 16,027	\$ 26,150	\$ 42,177
<u>BALANCE - April 1, 2003</u>	137,619	17,536	155,155
<u>BALANCE - March 31, 2004</u>	\$ 153,646	\$ 43,686	\$ 197,332

The accompanying notes are an integral part of these financial statements.

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN BALANCE -  
BUDGET AND ACTUAL  
ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED MARCH 31, 2004

	GENERAL FUND		
	BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)
<u>RECEIPTS</u>			
Taxes	\$ 23,062	\$ 25,576	\$ 2,514
State Grants	30,000	33,464	3,464
Charges for Services	3,450	2,890	(560)
Interest and Rents	300	2,532	2,232
Other Receipts	1,805	898	(907)
Total Receipts	\$ 58,617	\$ 65,360	\$ 6,743
<u>DISBURSEMENTS</u>			
Legislative			
Township Board	\$ 5,200	\$ 4,904	\$ 296
General Government			
Supervisor	5,000	4,875	125
Assessor	5,100	4,846	254
Clerk	5,620	5,292	328
Board of Review	850	522	328
Treasurer	7,870	7,675	195
Building and Grounds	2,500	1,446	1,054
Cemetery	2,450	1,567	883
Public Safety	14,552	12,244	2,308
Public Works	0	0	0
Parks and Recreation	2,500	0	2,500
Other Functions	6,460	5,962	498
Total Disbursements	\$ 58,102	\$ 49,333	\$ 8,769
Excess of Receipts Over (Under) Disbursements	\$ 515	\$ 16,027	\$ 15,512
<u>BALANCE - April 1, 2003</u>		137,619	
<u>BALANCE - March 31, 2004</u>		\$ 153,646	

The accompanying notes are an integral part of these financial statements.

EXHIBIT C

SPECIAL REVENUE FUND		
BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)
\$ 25,000	\$ 28,596	\$ 3,596
0	0	0
0	0	0
0	57	57
0	0	0
\$ 25,000	\$ 28,653	\$ 3,653
\$ 0	\$ 0	\$ 0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
25,000	2,503	22,497
0	0	0
0	0	0
\$ 25,000	\$ 2,503	\$ 22,497
\$ 0	\$ 26,150	\$ 26,150
	17,536	
	\$ 43,686	

The accompanying notes are an integral part of these financial statements.

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2004

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Bloomfield Township is a general law township located in Missaukee County which operates under the direction of an elected township board. Under the criteria established by generally accepted accounting principles, the Township has determined that there are no component units which should be included in it's reporting entity.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

The accounts of the Township are organized on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds are maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds. The Township has no long-term debts which would be recorded in the general long-term debt account group.

The Township has the following fund types and account group:

Governmental funds are used to account for the Township's general government activities. The Township uses the flow of economic resources measurement focus and the modified cash basis of accounting for this fund which is an other comprehensive basis of accounting (OCBOA). Under the modified cash basis of accounting, receipts are recognized when collected (i.e., when cash is received). Disbursements are recorded when cash is disbursed.

Governmental funds include the following fund types:

The General Fund is the Township's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Special Revenue Funds account for receipt sources that are legally restricted to disbursements for specific purposes (not including expendable trusts or major capital projects).

Fiduciary Funds account for assets held by the Township in a trustee capacity or as an agent on behalf of others.

The Current Tax Collection Fund is an agency fund and is custodial in nature. It does not present results of operation or have a measurement focus. The agency fund also uses the modified cash basis of accounting. This fund is used to account for property tax collections which the township makes and distributes for others in an agency capacity.

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2004

Account Group. The General Fixed Assets Account Group is used to account for fixed assets of the Township.

**C. Assets, Liabilities and Equity**

**1. Deposits and Investments**

The Township's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from date of acquisition.

A resolution adopted by the Township Board states that Township funds will be deposited by the Township Treasurer in an approved institution where the interest rates will be most beneficial to Bloomfield Township.

**2. Receivables and Payables**

Under the modified cash basis of accounting, the only noncash asset recorded is a receivable for uncollected property taxes. This receivable is entirely offset by a deferred revenue liability account so that income is only recognized when cash is received. The only other asset and liability recognized is for a temporary transfer from the Road Fund to the General Fund which is to be repaid. This amount is shown as Due to/Due From Other Funds.

**3. Fixed Assets**

Fixed assets used in governmental fund types (general fixed assets) are accounted for in the General Fixed Assets Account Group at cost or estimated historical cost if purchased or constructed. Donated fixed assets are recorded at their estimated fair value at the date of donation. Assets in the general fixed assets account group are not depreciated. Interest incurred during construction is not capitalized.

Public domain (infrastructure) general fixed assets (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the Township) are not capitalized.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not included in the general fixed assets account group.

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2004

4. Fund Equity

Reservations of fund balance represent amounts that are not appropriable or are legally segregated for a specific purpose.

5. Use of Estimates

This presentation of financial statements requires the Township to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of receipts and disbursements during the reporting period. Actual results could differ from those estimates.

6. Memorandum Only - Total Columns

Total columns on the general purpose financial statements are captioned "Memorandum Only" because they do not represent consolidated financial information and are presented only to facilitate financial analysis. The columns do not present information that reflects financial position, results of operations or cash flows in accordance with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The annual budget is adopted on the modified cash basis in accordance with the requirements of Michigan Public Act 621 of 1978 "The Uniform Budgeting and Accounting Act". A public hearing is held to obtain taxpayer comments. Appropriations lapse at year end. Budget amounts presented are as originally adopted in March 2003, or as amended by the Township Board from time to time throughout the year.

The appropriated budget is prepared by fund and activity. The Township Board exercises budgetary control over expenditures.

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Township because it is not, at present, considered necessary to assure effective budgetary control or to facilitate effective cash planning and control.

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2004

III. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. Deposits and Investments

At year-end, the carrying amount of the Township's regular deposits was \$207,143 and the bank balance was \$233,935, all of which was covered by federal depository insurance.

The carrying amount of the Township's deposits and investments at year-end is shown below:

	GENERAL FUND	ROAD FUND	CURRENT TAX COLLECTION FUND
Chemical Bank West			
Lake City, Michigan			
Commercial Account	\$ 34,588	\$ 0	\$ 9,811
Money Market Account	0	31,091	0
Forest Area Federal Credit Union			
Fife Lake, Michigan			
Regular Shares Account	50,831	0	0
Certificates of Deposit	80,822	0	0
TOTAL	\$ 166,241	\$ 31,091	\$ 9,811

B. Fixed Assets

Activity in the general fixed assets account group for the Township for the year ended March 31, 2004, was as follows:

	BALANCE 4/1/03	ADDITIONS	DELETIONS	BALANCE 3/31/04
Land	\$ 1,725	\$ 0	\$ 0	\$ 1,725
Land Improvements	7,152	0	0	7,152
Buildings	33,631	0	0	33,631
Furniture and Equipment	9,453	0	0	9,453
TOTAL	\$ 51,961	\$ 0	\$ 0	\$ 51,961

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2004

**C. Current Tax Collection Fund Balance**

The balance of \$9,811 remaining in the current tax collection fund at March 31, 2004, consisted of delinquent tax collections, dog license fees and penalties which were paid out after year-end as follows:

Missaukee County	\$ 2,259
Lake City Area Schools	4,209
Wexford Missaukee Intermediate School	1,216
Bloomfield Township	
General Fund	1,050
Road Fund	1,077
	<hr/>
TOTAL	\$ <u>9,811</u>

**IV. OTHER INFORMATION**

**A. Property Taxes**

The Township levied 1.2796 mills for general operating purposes on a taxable value of \$13,934,948. In addition, the Township levied 1.9109 mills for road improvements.

Properties are assessed January 1 and the related property taxes become a lien on December 1 of the same year. These taxes are due on or before February 28, before they are added to the County tax rolls. Property taxes levied December 1, which are collected prior to the end of the fiscal year are recognized as income in the year in which they are levied.

**B. Interest Income and Expense**

For the year ended March 31, 2004, interest income and expense was as follows:

	INTEREST	
	INCOME	EXPENSE
General Fund	\$ 2,532	\$ 0
Road Fund	57	0
TOTAL	<hr/> \$ 2,589	<hr/> \$ 0



BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2004

IV. OTHER INFORMATION

**C. Fire Protection Contract**

The Township has a contract with the City of Manton for fire protection and pays the equivalent of .75 mills to the City. For the year 2003-2004, a total of \$11,419 was paid to the City to cover the period from December 1, 2003, to November 30, 2004. In addition to this assessment, the Township paid \$825 for fire runs.

**D. Retirement Plan**

Effective April 1, 1992, the Township established a Simplified Employee Pension - Individual Retirement Account (SEP-IRA). The plan was established with Citizens Bank, Cadillac, Michigan. The plan covers all employees who meet minimum participation requirements based on annual compensation. To be eligible for plan coverage each employee must be at least 18 years of age.

Contributions to the plan are based on annual compensation and are payable quarterly. The Township's contribution to the plan is 15% of covered compensation. The Township's cash contribution to the plan for 2003-2004 was \$2,506. Covered compensation for the current year was \$15,850 and the total of all wages including non-covered wages was \$16,812.

The individual retirement account balances become the property of the employee immediately. Therefore, there are no plan assets or liabilities which are includable as part of the Township reporting entity.

**E. Risk Management**

The Township is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Township participates in a pool of municipalities within the State of Michigan for self-insuring property and casualty, crime, general liability, errors and omissions, and worker's compensation insurance. The Township pays annual premiums to the pool for the respective insurance coverage. In the event the pool's total claims and expenses for a policy year exceed the total normal annual premiums for said years, all members of the specific pool's policy year may be subject to special assessments to make up the deficiency. The Township has not been informed of any special assessments being required for the current year or the three prior years.

The Township continued to carry insurance for other risks of loss, including fidelity bonds.

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

GENERAL FUND

STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS  
MARCH 31, 2004

ASSETS

Cash	
Commercial Account	
Money Market Account	\$ 34,588
Certificates of Deposit	50,831
Taxes Receivable	80,822
	<u>4,338</u>
TOTAL ASSETS	<u>\$ 170,579</u>

LIABILITIES AND BALANCE

LIABILITIES

Due to Other Funds	\$ 12,595
Deferred Revenues	<u>4,338</u>
Total Liabilities	\$ 16,933

BALANCE

Unreserved	<u>153,646</u>
TOTAL LIABILITIES AND BALANCE	<u>\$ 170,579</u>

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

GENERAL FUND  
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN BALANCE

BUDGET AND ACTUAL  
FOR THE YEAR ENDED MARCH 31, 2004

	BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)
<u>RECEIPTS</u>			
Taxes	\$ 23,062	\$ 25,576	\$ 2,514
State Grants	30,000	33,464	3,464
Charges for Services	3,450	2,890	(560)
Interest and Rents	300	2,532	2,232
Other Receipts	1,805	898	(907)
Total Receipts	<u>\$ 58,617</u>	<u>\$ 65,360</u>	<u>\$ 6,743</u>
<u>DISBURSEMENTS</u>			
Legislative			
Township Board	\$ 5,200	\$ 4,904	\$ 296
General Government			
Supervisor	5,000	4,875	125
Assessor	5,100	4,846	254
Clerk	5,620	5,292	328
Board of Review	850	522	328
Treasurer	7,870	7,675	195
Building and Grounds	2,500	1,446	1,054
Cemetery	2,450	1,567	883
Public Safety	14,552	12,244	2,308
Parks and Recreation	2,500	0	2,500
Other Functions	6,460	5,962	498
Total Disbursements	<u>\$ 58,102</u>	<u>\$ 49,333</u>	<u>\$ 8,769</u>
Excess of Receipts Over (Under) Disbursements	<u>\$ 515</u>	<u>\$ 16,027</u>	<u>\$ (15,512)</u>
<u>BALANCE - April 1, 2003</u>		<u>137,619</u>	
<u>BALANCE - March 31, 2004</u>		<u>\$ 153,646</u>	

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

GENERAL FUND

ANALYSIS OF CASH RECEIPTS  
FOR THE YEAR ENDED MARCH 31, 2004

TAXES

Current Property Taxes		
2002 Tax Roll	\$	2,971
2003 Tax Roll		13,491
Delinquent Property Tax		2,804
Payments in Lieu of Tax		
Swamp Tax		6,292
Commercial Forest Reserve		18
		<hr/>
Total Taxes		
	\$	25,576

STATE GRANTS

State Revenue Sharing		
Sales and Use Tax		33,464

CHARGES FOR SERVICES

Cemetery Lots and Burials	\$	1,300
Summer Tax Collection		1,590
		<hr/>
Total Charges for Services		
		2,890

INTEREST AND RENTS

Interest Earnings		2,532
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OTHER RECEIPTS

Fire Runs	\$	700
Miscellaneous		198
		<hr/>
Total Other Receipts		
		898
		<hr/>
TOTAL RECEIPTS	\$	65,360
		<hr/>

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

GENERAL FUND

ANALYSIS OF CASH DISBURSEMENTS  
FOR THE YEAR ENDED MARCH 31, 2004

LEGISLATIVE

Township Board

Personal Services

Salaries and Wages

\$ 1,150

Other Services and Charges

Dues and Fees

312

Contracted Services

3,421

Printing and Publishing

21

Total Legislative

\$ 4,904

GENERAL GOVERNMENT

Supervisor

Personal Services

Salaries and Wages

\$ 4,800

Other Services and Charges

Education and Training

75

\$ 4,875

Assessor

Supplies

Office Supplies

\$ 446

Other Services and Charges

Contracted Services

4,400

4,846

Clerk

Personal Services

Salaries and Wages

\$ 4,800

Salaries and Wages - Deputy

220

Supplies

Office Supplies

138

Other Services and Charges

Education and Training

75

Travel

59

5,292

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

GENERAL FUND

ANALYSIS OF CASH DISBURSEMENTS  
FOR THE YEAR ENDED MARCH 31, 2004

Board of Review			
Personal Services			
Salaries and Wages			522
Treasurer			
Personal Services			
Salaries and Wages	\$	5,100	
Salaries and Wages - Deputy		220	
Supplies			
Office Supplies		541	
Other Services and Charges			
Summer Tax Collection		1,592	
Travel		222	7,675
Building and Grounds			
Other Services and Charges			
Contracted Services	\$	440	
Communications		297	
Printing and Publishing		41	
Public Utilities		668	1,446
Cemetery			
Supplies			
Operating Supplies	\$	2	
Other Services and Charges			
Contracted Services		1,565	1,567
Total General Government			26,223
<u>PUBLIC SAFETY</u>			
Fire Protection			
Other Services and Charges			
Aid to Other Governments			
Contracted Services	\$	11,419	
		825	
Total Public Safety			12,244

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

GENERAL FUND

ANALYSIS OF CASH DISBURSEMENTS  
FOR THE YEAR ENDED MARCH 31, 2004

OTHER FUNCTIONS

Insurance and Bonds \$ 2,900

Employee Benefits

Medicare and Social Security

\$ 219

Pension Contribution

2,506

Workers Compensation

337

3,062

Total Other Functions

5,962

TOTAL DISBURSEMENTS

\$ 49,333

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

ROAD FUND

STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS  
MARCH 31, 2004

ASSETS

Cash	
Money Market Account	
Taxes Receivable	\$ 31,091
Due From General Fund	6,477
	<u>12,595</u>
TOTAL ASSETS	<u>\$ 50,163</u>

LIABILITIES AND BALANCE

LIABILITIES

Deferred Revenue	\$ 6,477
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BALANCE

Reserved for Road Maintenance	<u>43,686</u>
TOTAL LIABILITIES AND BALANCE	<u>\$ 50,163</u>



BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

ROAD FUND  
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN BALANCE  
BUDGET AND ACTUAL

FOR THE YEAR ENDED MARCH 31, 2004

	BUDGET	ACTUAL	VARIANCE- FAVORABLE (UNFAVORABLE)
<u>RECEIPTS</u>			
Taxes			
Current Property Taxes			
2003 Tax Roll	\$ 25,000	\$ 20,145	\$ (4,855)
2002 Tax Roll	0	4,347	4,347
Delinquent Property Taxes	0	4,104	4,104
Interest and Rents			
Interest Earnings	0	57	57
Total Receipts	\$ 25,000	\$ 28,653	\$ 3,653
<u>DISBURSEMENTS</u>			
Public Works			
Highways, Streets and Bridges			
Other Services and Charges			
Road Brining	25,000	2,503	22,497
Excess of Receipts Over (Under) Disbursements	<u>\$ 0</u>	\$ 26,150	<u>\$ 26,150</u>
<u>BALANCE - April 1, 2003</u>		17,536	
<u>BALANCE - March 31, 2004</u>		<u>\$ 43,686</u>	

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

CURRENT TAX COLLECTION FUND

STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS  
MARCH 31, 2004

ASSETS

Cash  
Commercial Account

\$ 9,811

BALANCE

Unreserved

\$ 9,811

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

CURRENT TAX COLLECTION FUND

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN BALANCE  
FOR THE YEAR ENDED MARCH 31, 2004

RECEIPTS

Current Tax Collections		\$ 379,144
Delinquent Tax Collections		3,101
Commercial Forest Reserve		132
Interest - State Education Tax		340
Dog License Fees		120
Overcollections		<u>1,722</u>
Total Receipts		\$ 384,559

DISBURSEMENTS

Payments to County Treasurer		
Current Tax	\$ 73,711	
Current Tax - State Education Tax	61,178	
Delinquent Tax	2,185	
Delinquent Tax - State Education Tax	2,159	
Interest - State Education Tax	170	
Commercial Forest Reserve	132	
Dog License Fees	<u>116</u>	\$ 139,651
Payments to Township Treasurer		
Current Tax - 2003 Tax Roll		
Operating	\$ 13,491	
Roads	20,145	
Current Tax - 2002 Tax Roll		
Operating	2,971	
Roads	<u>4,347</u>	40,954
Payments to School Treasurer		
Current Tax - 2003 Tax Roll		
Manton Consolidated Schools	\$ 114,271	
Lake City Area Schools	30,990	
Current Tax - 2002 Tax Roll		
Manton Consolidated Schools	27,299	
Lake City Area Schools	<u>6,188</u>	178,748

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

CURRENT TAX COLLECTION FUND

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS AND CHANGES IN BALANCE  
FOR THE YEAR ENDED MARCH 31, 2004

Payments to Intermediate School Treasurer			
Wexford-Missaukee			
Current Tax - 2003 Tax Roll	\$	63,269	
Current Tax - 2002 Tax Roll		18,349	81,618
Refunds to Taxpayers			<u>1,722</u>
Total Disbursements			<u>442,693</u>
Excess of Receipts Over (Under) Disbursements			\$ (58,134)
<u>BALANCE</u> - April 1, 2003			<u>67,945</u>
<u>BALANCE</u> - March 31, 2004			<u>\$ 9,811</u>

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

GENERAL FIXED ASSETS GROUP OF ACCOUNTS

STATEMENT OF CHANGES IN GENERAL FIXED ASSETS  
FOR THE YEAR ENDED MARCH 31, 2004

	BALANCE 4/1/2003	ADDITIONS	DELETIONS	BALANCE 3/31/2004
<u>GENERAL FIXED ASSETS</u>				
Land	\$ 1,725	\$ 0	\$ 0	\$ 1,725
Land Improvements	7,152	0	0	7,152
Buildings	33,631	0	0	33,631
Furniture and Equipment	9,453	0	0	9,453
	<u>\$ 51,961</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 51,961</u>
<u>INVESTMENT IN GENERAL FIXED ASSETS</u>	<u>\$ 51,961</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 51,961</u>

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

STATEMENT OF 2003 WINTER TAX ROLL  
MARCH 31, 2004

TAXES ASSESSED

County		
Township	\$	97,411
Operating		
Roads		17,829
Schools		26,622
Manton Consolidated Schools		
Lake City Area Schools		141,379
Intermediate School		38,276
Wexford-Missaukee		
		<u>83,611</u>
	\$	405,128

TAXES COLLECTED

County		
Township	\$	73,711
Operating		
Roads		13,491
Schools		20,145
Manton Consolidated Schools		
Lake City Area Schools		114,271
Intermediate School		30,990
Wexford-Missaukee		
		<u>63,269</u>
		<u>315,877</u>

TAXES RETURNED DELINQUENT

County		
Township	\$	23,700
Operating		
Roads		4,338
Schools		6,477
Manton Consolidated Schools		
Lake City Area Schools		27,108
Intermediate School		7,286
Wexford-Missaukee		
		<u>20,342</u>
	\$	<u>89,251</u>

BLOOMFIELD TOWNSHIP, MISSAUKEE COUNTY  
MANTON, MICHIGAN

STATEMENT OF 2003 SUMMER TAX ROLL  
MARCH 31, 2004

TAXES ASSESSED

County

State Education Tax

\$ 69,674

TAXES COLLECTED

County

State Education Tax

63,267

TAXES RETURNED DELINQUENT

County

State Education Tax

\$ 6,407

# *Baird, Cotter and Bishop, P.C.*

CERTIFIED PUBLIC ACCOUNTANTS

JOHN H. BISHOP, C.P.A.  
ROBERT V. BEATTIE, C.P.A.  
DOUGLAS P. McMULLEN, C.P.A.  
JOHN F. TAYLOR, C.P.A.  
STEVEN C. ARENDS, C.P.A.  
SCOTT A. HUNTER, C.P.A.  
JONATHAN E. DAMHOF, C.P.A.  
MICHAEL D. COOL, C.P.A.

July 7, 2004

## LETTER OF COMMENTS AND RECOMMENDATIONS

To the Township Board  
Bloomfield Township  
Missaukee County  
Manton, Michigan

Having completed our audit of the general-purpose financial statements of Bloomfield Township for the year ended March 31, 2004, we would like to note the following:

### Government Accounting Standards Board (GASB) Statement 34

GASB has issued its new financial accounting model for governmental entities. This pronouncement will become effective for Bloomfield Township for its fiscal year ending March 31, 2005. The most significant change will be the requirement to report cost and depreciation information for fixed assets such as buildings and equipment. The board should be taking steps to accumulate this information in the near future. We are available to advise you on how to proceed with this project.

### Investment Policy

The depository resolution adopted by the Township does not address which types of investments that the Township Treasurer may invest Township funds in. We recommend that the Township adopt an investment policy which specifies which types of investments the Township Treasurer is authorized to invest in.

### Budgeting

Pertaining to the Township's compliance with Public Act 621 of 1978, the following items are noted:

- 1) The budget documents should include actual prior year amounts and also, estimate of current year amounts.
- 2) In addition to budgeted receipts and disbursements, the budget should include estimated beginning and ending fund balances.



General Condition of Accounting Records

The accounting records being maintained for the year ended March 31, 2004, were found to be in good order and in compliance with the State's uniform accounting system. We commend the clerk and treasurer for their fine effort.

We would like to thank the board for its continued confidence in our firm and to thank the township clerk and treasurer for their cooperation.

If you have any questions relative to the above comments and recommendations or other areas of your annual accounting, please feel free to call on us.

Very truly yours,

BAIRD, COTTER AND BISHOP, P.C.

*Baird, Cotter & Bishop, P.C.*

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July 7, 2004

LETTER OF REPORTABLE CONDITIONS

To the Township Board  
Bloomfield Township  
Missaukee County  
Manton, Michigan

In planning and performing our audit of the general-purpose financial statements of Bloomfield Township, Missaukee County, Manton, Michigan for the year ended March 31, 2004, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control structure. However, we noted certain matters that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control structure that, in our judgment, could adversely affect the organization's ability to record, process, summarize, and report financial data consistent with the assertions of management in the general-purpose financial statements.

The relatively small number of people involved in the accounting functions of the Township and the design of the accounting system as developed by the state make it difficult to adequately segregate duties. Segregation of accounting duties is a fundamental method of strengthening internal control. However, in deciding what internal control procedures should be implemented, the Board must consider the costs of implementing them and weigh those costs against the benefits to be derived from their implementation.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material to the general-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses as defined above. However, we believe that the condition described above is a material weakness.

This report is intended solely for the information and use of the Board and others within the organization. This restriction is not intended to limit the distribution of the report, which is a matter of public record.

Very truly yours,

BAIRD, COTTER AND BISHOP, P.C.

Baird, Cotter & Bishop, P.C.